



# RBC Balanced Growth & Income Fund

## Investment Objective

To provide a combination of capital growth and modest income. The fund invests primarily in a diversified portfolio of income-producing equity and fixed-income securities from anywhere around the world either directly or indirectly through investment in other mutual funds managed by RBC GAM or an affiliate.

## Fund Details

Series	Load Structure	Currency	Fund Code
A	No Load	CAD	RBF481
A	No Load	USD	RBF403
Adv	Deferred Sales	CAD	RBF881
Adv	Front End	CAD	RBF721
Adv	Low Load	CAD	RBF081
Adv	Low Load	USD	RBF4403
Adv T5	Deferred Sales	CAD	RBF887
Adv T5	Front End	CAD	RBF789
Adv T5	Low Load	CAD	RBF087
T5	No Load	CAD	RBF511
H	No Load	CAD	RBF381

Inception Date	August 2013
Total Fund Assets \$Mil	1,603.6
Series A NAV \$	12.46
Series A MER %	2.08
Benchmark	40% FTSE TMX Canada Universe Bond Index 25% S&P/TSX Capped Composite Total Return Index 20% S&P 500 Total Return Index (CAD) 10% MSCI Emerging Markets Total Return Net Index (CAD) 5% MSCI Europe Total Return Net Index (CAD)

Income Distribution	Quarterly
Capital Gains Distribution	Annually

Sales Status	Open
Min. Investment \$	500
Subsequent Investment \$	25

Fund Category	Global Equity Balanced
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Management Company	RBC Global Asset Management Inc.
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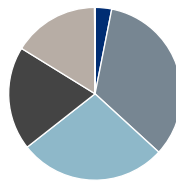
Web Site	www.rbcgam.com
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## Notes

Performance Analysis is in CAD and for CAD series A fund (RBF481).

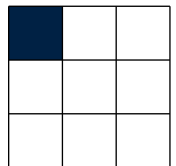
## Portfolio Analysis as of March 31, 2018

### Asset Mix



	% Assets
Cash	3.1
Fixed Income	33.7
Canadian Equity	27.6
US Equity	19.4
International Equity	16.1
Other	0.1

### Equity Style



Value Blend Growth

### Statistics

P/B Ratio	1.7
P/E Ratio	13.6
Avg. Mkt Cap. \$B	38.2

### Top 5 Sectors

	% Equity
Financials	24.7
Energy	15.7
Information Technology	11.0
Industrials	8.6
Consumer Discretionary	6.8

### Fixed Income Breakdown

	%
Govt. Bonds	38.6
Corp. Bonds	57.0
Other Bonds	2.0
MBS	0.0
Cash & Other	2.4
ABS	0.0

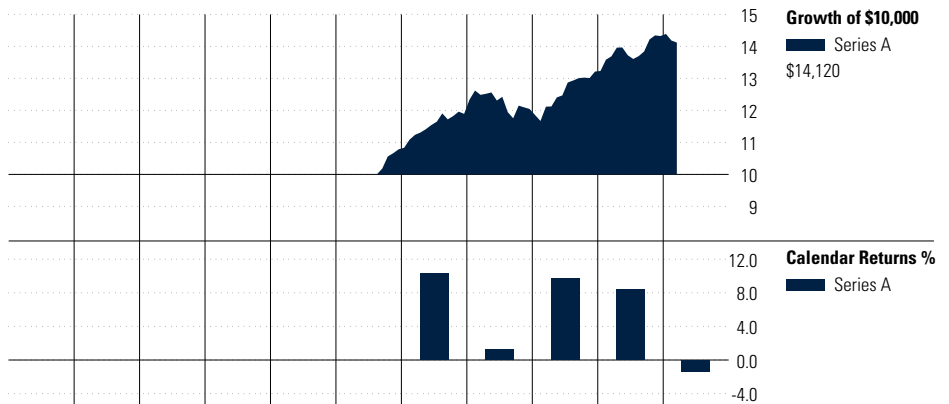
### Characteristics

	%
Avg. Term to maturity (Yrs)	9.0
Modified Duration (Yrs)	6.2
Yield to Maturity	3.7

### Top 25 Holdings

	% Assets
PH&N Total Return Bond Fund	13.0
RBC Emerging Markets Dividend Fund	9.7
RBC Global Corporate Bond Fund	8.8
BlueBay Global Monthly Income Bond Fund	6.7
RBC Global High Yield Bond Fund	6.7
RBC European Dividend Fund	6.0
Royal Bank of Canada	1.8
The Toronto-Dominion Bank	1.2
Enbridge Inc	1.1
Bank of Nova Scotia	1.0
Manulife Financial Corp	1.0
Suncor Energy Inc	0.9
Apple Inc	0.9
Brookfield Asset Management Inc Class A	0.8
TransCanada Corp	0.8
Microsoft Corp	0.8
Sun Life Financial Inc	0.7
Bank of America Corporation	0.6
Canadian Natural Resources Ltd	0.6
JPMorgan Chase & Co	0.6
Nutrien Ltd	0.6
Bank of Montreal	0.6
Canadian Pacific Railway Ltd	0.6
Canadian Imperial Bank of Commerce	0.6
Agnico Eagle Mines Ltd	0.6
Total % of Top 25 Holdings	66.6
Total Number of Portfolio Holdings	196
Total Number of Stock Holdings	375
Total Number of Bond Holdings	5,290
Total Number of Other Holdings	213
<b>Total Number of Underlying Holdings</b>	<b>5,878</b>

## Performance Analysis as of March 31, 2018



2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	YTD	Fund Quartile
—	—	—	—	—	—	10.3	1.3	9.7	8.4	-1.4	—
—	—	—	—	—	—	2 <sup>nd</sup>	4 <sup>th</sup>	1 <sup>st</sup>	3 <sup>rd</sup>	4 <sup>th</sup>	—

1 Mth	3 Mth	6 Mth	1 Yr	3 Yr	5 Yr	10 Yr	Since Incep.	Trailing Return %
-0.4	-1.4	2.0	3.2	4.2	—	—	7.6	Fund
2 <sup>nd</sup>	4 <sup>th</sup>	4 <sup>th</sup>	4 <sup>th</sup>	3 <sup>rd</sup>	—	—	—	Quartile
1099	1074	1057	1019	712	489	258	—	No. of Funds in Category



# RBC Balanced Growth & Income Fund

## Management Overview

### Manager Bios

#### Jennifer McClelland

##### RBC Global Asset Management Inc.

Jennifer McClelland is Vice President and Senior Portfolio Manager, Canadian Equities. Jennifer began her investment career in 1993. She is a member of the North American equity team and is responsible for core and income-oriented Canadian equity mandates. Jennifer has a Bachelor Degree in Economics from the University of Western Ontario and is a CFA charterholder.

#### Sarah Riopelle

##### RBC Global Asset Management Inc.

Sarah Riopelle is Vice President and Senior Portfolio Manager, Investment Solutions. Sarah began her investment career in 1996. She is a member of the RBC Investment Strategy Committee and is responsible for the firm's Portfolio Solutions. Sarah has a Bachelor of Commerce in Finance and International Management from the University of Ottawa and is a CFA charter holder.

#### Brad Willock

##### RBC Global Asset Management Inc.

Brad Willock joined RBC in May 1996 and RBC Global Asset Management in July 2002. In his current role, he is responsible for core and income-oriented U.S. equity mandates. Brad has a Bachelor of Commerce and a Bachelor of Science, and is a CFA charterholder.

### Performance Analysis Cont'd as of March 31, 2018

Distributions (\$)/Unit	YTD*	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Distributions	0.03	0.25	0.16	0.42	0.40	0.10	—	—	—	—	—
Interest	0.03	0.06	0.07	0.07	0.06	0.05	—	—	—	—	—
Dividends	—	0.07	0.09	0.09	0.07	0.01	—	—	—	—	—
Capital Gains	—	0.11	—	0.27	0.27	0.03	—	—	—	—	—
Return Of Capital	—	—	—	—	—	—	—	—	—	—	—

Best/Worst Periods %	Ended	1 Yr	Ended	3 Yr	Ended	5 Yr	Ended	10 Yr
Best	8-2014	19.1	8-2016	9.0	—	—	—	—
Worst	2-2016	-7.5	2-2018	4.0	—	—	—	—
Average		7.2		6.4		—		—
No. of Periods		44		20		—		—
Pct. Positive		88.6		100.0		—		—

\* Distributions are characterized into income type at year-end.

### Quarterly Commentary as at March 31, 2018

Global trade suffered a setback in the first quarter of 2018 as U.S. President Trump threatened to impose trade tariffs on China and, to a lesser degree, allies in Europe and North America. However, economic growth remained robust in most areas of the world.

The Fund's overweight position in equities and underweight position in fixed income had a neutral impact on performance. Government-bond yields rose significantly around the globe during the first quarter, especially in the U.S. and Europe. Canada's bond market outperformed as the country's weakening economy held yields down. Returns were bolstered by exposure to BlueBay Global Monthly Income Bond Fund, offset by the negative impact of RBC Global High Yield Bond Fund and RBC Global Corporate Bond Fund.

Global equities posted modest losses, reversing gains earlier in the period, on concerns about rising inflation and the potential for a trade war.

Canadian stocks underperformed due in part to a housing slowdown and worries that the Energy sector is falling behind on pipeline infrastructure. The Fund's performance was negatively affected by exposure to Canadian equities while holdings in emerging-market equities contributed positively to returns.

We expect the global economy to grow at its fastest pace since the financial crisis, allowing central banks to continue dialing back monetary accommodation. In our view, stocks will continue to outperform bonds in this rising-rate environment, but we recently added to our fixed-income exposure as bonds can help offset equity-market volatility in a balanced portfolio. We remain overweight stocks and underweight bonds, but our asset mix is closer to neutral than it has been in many years, given the maturation in the business cycle and demanding valuations.



# RBC Balanced Growth & Income Fund

## Disclosure

RBC Funds, BlueBay Funds, PH&N Funds and RBC Corporate Class Funds are offered by RBC Global Asset Management Inc. and distributed through authorized dealers.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus or Fund Facts document before investing. Except as otherwise noted, the indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. Mutual funds are not guaranteed or covered by the Canadian Deposit Insurance Corporation or by any other government deposit insurer. For money market funds, there can be no assurances that the fund will be able to maintain its net asset value per unit at a constant amount or that the full amount of your investment in the fund will be returned to you. The value of mutual funds change frequently and past performance may not be repeated.

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implied, are made by RBC GAM, its affiliates or any other person as to its accuracy, completeness or correctness. All opinions and estimates constitute RBC GAM's judgment as of the date of this document, are subject to change without notice and are provided in good faith but without legal responsibility. The Top Ten/25 Holdings may change due to ongoing portfolio transactions within the fund. The Prospectus and other information about the underlying investment funds are available at [www.sedar.com](http://www.sedar.com).

MER (%) for RBC Funds, PH&N Funds and BlueBay Funds is based on actual expenses for the full year period, January 1 to December 31, 2017, expressed on an annualized basis.

MER (%) for RBC Corporate Class Funds is based on actual expenses for the half-year period, April 1, to September 30, 2017, expressed on an annualized basis.

Series H and Series I are not available for purchase by new investors. Existing investors who hold Series H or Series I units can continue to make additional investments into the same series of the funds they hold.

Graphs are only used to illustrate the effects of the compound growth rate and do not reflect future values of any fund or returns on

investment of any fund.

The fund profile is provided for informational purposes only. Particular investments and/or trading strategies should be evaluated relative to each individual's investment objectives. The information contained in the fund profile is not, and should not be construed as, investment or tax advice. You should not act or rely on the information contained in the fund profile without seeking the advice of an appropriate professional advisor.

Quartile rankings are determined by Morningstar Research Inc., an independent research firm, based on categories maintained by the Canadian Investment Funds Standards Committee (CIFSC). Quartile rankings are comparisons of the performance of a fund to other funds in a particular category and are subject to change monthly. The quartiles divide the data into four equal segments expressed in terms of rank (1, 2, 3 or 4). This is the Morningstar quartile ranking of Series A and F units of the Fund as of March 31, 2018.

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